

JUL 11 2001

**GENERAL NOTICE LETTER  
URGENT LEGAL MATTER -- PROMPT REPLY NECESSARY  
CERTIFIED MAIL: RETURN RECEIPT REQUESTED**

Jefferson County Drainage District Number 7  
4401 9<sup>th</sup> Avenue  
Port Arthur, TX 77640

RE: General Notice Letter  
Star Lake Superfund Site  
Jefferson County, Texas

Dear Sir or Madam:

This "General Notice Letter" (GNL) notifies you of potential liability, as defined by Section 107(a) of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9607(a), as amended (CERCLA), that you may incur or may have incurred with respect to the Star Lake Superfund Site (hereinafter "the Site"). This GNL also notifies you of potential response activities at the Site which you may be asked to perform or finance at a later date.

**NOTICE OF POTENTIAL LIABILITY**

The U.S. Environmental Protection Agency (EPA) has documented the release or threatened release of hazardous substances, pollutants, or contaminants at the Site, to wit: chromium, copper, polynuclear aromatic hydrocarbons, and polychlorinated biphenyls. The EPA has spent, or is considering spending, public funds on actions to investigate and control such releases or threatened releases at the Site, unless the EPA reaches an agreement under which a potentially liable party or parties will properly perform or finance such actions. The EPA may perform these actions pursuant to Section 104 of CERCLA.

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CASANOVA:rc:5/22/01:A:\STARLAKE\_GENERAL\_NOTICE\_JEFF.WPD

*add 5/29/01*  
6SF-AP  
RIBB

*6/6/01*  
6SF-AP  
CHAVARRIA

6SF-AC  
BEHN *6/6/01*

6SF-AC  
PARR *6/6/2001*

6SF-A  
DELOZADO *8/1/01*

6SF-A  
HONKER

6RC-S  
QUINONES

6RC-S  
PEYCKE

6SF  
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Under Sections 106(a) and 107(a) of CERCLA, 42 U.S.C. Sections 9606(a) and 9607(a), potentially liable parties may be ordered to perform response actions deemed necessary by the EPA to protect human health and the environment, and may be liable for all costs incurred by the Government in responding to any release or threatened release at the Site. Such actions and costs may include, but are not limited to, expenditures for conducting a Remedial Investigation and Feasibility Study (RI/FS); a Remedial Design and Remedial Action (RD/RA); and other investigation, planning, response oversight, and enforcement activities.

The EPA has evaluated information in connection with the investigation of the Site. Based on this information, the EPA believes that you may be a Potentially Responsible Party (PRP) with respect to this Site. CERCLA states that four types of persons are liable for cleaning up (or paying the EPA to clean up) hazardous substances that have been released. The four types of liable persons are:

1. Persons who now own the place where the hazardous substances were released (owner);
2. Persons who once owned or operated the place where the hazardous substances were released during the time when the hazardous substances were disposed (operator);
3. Persons who arranged for disposal or treatment of hazardous substances at the place where the hazardous substances were released (generator); or
4. Persons who selected the place where the hazardous substances were released as a disposal site and transported the hazardous substances to that place (transporter).

By this letter, the EPA notifies you of your potential liability with regard to this matter and encourages you to voluntarily perform or finance those response activities EPA determines are necessary at the Site. In accordance with CERCLA and other authorities, the EPA has already undertaken certain actions and incurred certain costs in response to conditions at the Site. These response actions include a Preliminary Assessment and Site Inspection, the preparation of a Hazard Ranking System Documentation Record, and certain enforcement activities. The EPA may expend additional funds for the performance of an RI/FS at the Site under the authority of CERCLA.

#### **SPECIAL NOTICE AND NEGOTIATION MORATORIUM**

You may receive an additional notice from the EPA in the future. That notice would either inform you that the EPA is using the CERCLA Section 122(e) Special Notice procedures to formally negotiate terms of a consent order or consent decree to conduct or finance response activities, or it would inform you that the EPA is not using such procedures pursuant to Section 122(a). If the EPA does not use Section 122(e) Special Notice procedures, the notice would

specify why the Special Notice procedures were not appropriate in this case. Under Section 122(e), the EPA has the discretionary authority to use the Special Notice procedures if the EPA determines that such procedures would facilitate an agreement between the EPA and the PRPs and would expedite remedial action at the Site.

Use of the Special Notice procedures triggers a moratorium on certain EPA activities at the Site. The purpose of the moratorium is to provide a period of time when PRPs and the EPA may enter into formal negotiations for the PRPs' conduct or financing of the response activities at the Site. The initial moratorium for the RI/FS lasts for sixty (60) days after the notice. If the EPA determines that an offer to perform or finance the activities is submitted by the PRPs within those 60 days, and that the offer is a "good-faith offer," an extension of thirty(30) days is provided for by statute for further negotiations. The initial moratorium for the RD/RA also lasts for sixty (60) days after the notice. If EPA determines that an offer is submitted by the PRPs within those 60 days, and that the offer is a "good-faith offer," an extension of sixty (60) days is provided for by statute for further negotiations. If EPA determines that a "good-faith offer" has not been submitted within the first sixty (60) days of the moratorium period, the EPA may terminate the negotiation moratorium under Section 122(e)(4) of CERCLA. The EPA then may commence such cleanup or enforcement actions as it deems appropriate.

In the absence of an agreement with the parties to perform or finance the necessary cleanup activities, the EPA may undertake these activities and pursue civil litigation against the parties for reimbursement of expenditures associated with the Site. Alternatively, the EPA may issue an administrative order pursuant to Section 106(a) of CERCLA to require the PRPs to commence cleanup activities, or may commence civil litigation pursuant to Section 106(a) of CERCLA to obtain similar relief. Failure to comply with an administrative order issued under Section 106(a) of CERCLA may result in a fine of up to \$27,500 per day, under Section 106(b) of CERCLA, or imposition of treble damages under Section 107(c)(3).

#### **SITE BACKGROUND AND RESPONSE ACTIVITIES**

The Site is currently defined as the lengths of two industrial canals, the Star Lake Canal and the Jefferson Canal, from their origins to the confluence of the Star Lake Canal with the Neches River. The Site consists of sediments in the Star Lake Canal<sup>1</sup>, Jefferson Canal<sup>2</sup>, and Molasses Bayou contaminated with the following hazardous substances: chromium, copper, polynuclear aromatic hydrocarbons, and polychlorinated biphenyls. The Jefferson Canal confluences with the Star Lake Canal in an area between State Highway 366 and Sara Jane Road (a.k.a. East Port Neches Avenue, Port Neches Atlantic Highway, and Atlantic Road) at the

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<sup>1</sup>The Star Lake Canal is also known as the Defense Plant Corporation Canal, the Neches Butane Outfall Canal, the Neches Butane Products Company Outfall Canal, and the Texaco Chemical Outfall Canal.

<sup>2</sup>The Jefferson Canal is also known as the Texaco Chemical Company Outfall Canal, the Jefferson County Canal, the Star Lake Outfall Canal, and the Texaco Chemical Company Stormwater Canal.

geographic coordinates of approximately 29°58'30" north latitude and 93°55'12" west longitude (taken from the Port Arthur North, Texas Quadrangle, 7.5 Minute Series Map [1993]). The Jefferson Canal was constructed in the late 1940s as an industrial wastewater and stormwater outfall. The Star Lake Canal was constructed after 1948 for the same purpose. The Jefferson and Star Lake Canals have received industrial wastewater and storm water discharges from local chemical and other manufacturing facilities for a number of years.

In response to contamination discovered during dredging in the Jefferson Canal, the Texas Natural Resource Conservation Commission (TNRCC) collected sediment samples in 1996 and 1998 from the Jefferson Canal, Star Lake Canal, and wetlands bordering Molasses Bayou. The TNRCC found elevated concentrations of chromium, copper, polynuclear aromatic hydrocarbons (PAHs), and polychlorinated biphenyls in the sediments of Star Lake Canal and Jefferson Canal and elevated concentrations of copper, PAHs, and pesticides in the Molasses Bayou wetlands. These contaminated sediments extend more than 2 miles, spanning portions of Jefferson Canal, Star Lake Canal, and the Molasses Bayou to within 1/4 of a mile of where the Molasses Bayou, Star Lake Canal, and the Neches River converge. More than 3 miles of wetlands front the surface water in which contaminated sediments have been detected. These wetlands are habitats known to be used by the white-faced ibis, a State-designated threatened species. From the confluence of the Molasses Bayou, Star Lake Canal, and the Neches River, surface water flows down the river approximately 3 1/2 miles to Sabine Lake. Sabine Lake is used as a fishery. Some of the contaminants present at the Site are known human carcinogens. The nature and extent of contamination at the Site and the risks posed to human health and the environment from the contaminants present at the Site are unknown.

At present, the EPA is planning to conduct an RI/FS at the Site. The objectives of the RI/FS are to investigate the nature and extent of contamination at the Site and to develop and evaluate potential remedial alternatives, in accordance with the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA, 42 U.S.C. § 9601, *et seq.*), as amended by the Superfund Amendments and Reauthorization Act of 1986 (SARA), and in accordance with the National Oil and Hazardous Substances Pollution Contingency Plan (National Contingency Plan [NCP]). Specifically, these objectives are to determine the presence or absence, types, and quantities (concentrations) of contaminants; mechanism of contaminant release to pathway(s); direction of pathway(s) transport; boundaries of source(s) and pathway(s); environmental/public health receptors; and source and pathway contaminant characteristics with respect to mitigation (e.g., bench-scale studies).

### **INFORMATION TO ASSIST POTENTIALLY RESPONSIBLE PARTIES**

The EPA would like to encourage good-faith negotiations between the PRPs and the EPA, as well as among the PRPs. To assist the PRPs in preparing a proposal and in negotiating with the EPA concerning this matter, the EPA is providing Enclosure A (Parties Receiving General Notice) which is a list of names and addresses of PRPs to whom this notification is also being sent. This list represents the EPA's preliminary findings on the identities of the PRPs.

Inclusion on, or exclusion from, the list does not constitute a final determination by the EPA concerning the liability of any party for the release or threat of release of hazardous substances at the Site.

### **PRP STEERING COMMITTEE**

The EPA recommends that all PRPs meet to select a steering committee responsible for representing the group's interests. Establishing a manageable group is critical for successful negotiations with the EPA. Alternatively, the EPA encourages each PRP to select one person from its company or organization who will represent its interests.

### **ADMINISTRATIVE RECORD**

Pursuant to CERCLA Section 113(k), the EPA must establish an administrative record that contains documents that form the basis of the EPA's decision on the selection of a response action for the Site. The administrative record files, which contain the documents related to the response action selected for this Site, will be available to the public for inspection and comment. The primary location is generally the EPA's Region 6 office located at 1445 Ross Avenue, Suite 1200, in Dallas, Texas.

### **PRP RESPONSE AND EPA CONTACTS**

You are encouraged to contact the EPA within thirty (30) days of your receipt of this letter to indicate your willingness to participate in future negotiations about the planned RI/FS for the Site. You may respond individually or through a steering committee if such a committee has been formed. You should indicate your willingness to participate in this RI/FS by calling:

Mr. Edwin Quinones, Attorney  
U.S. Environmental Protection Agency, Region 6  
Superfund Division (6RC-S)  
1445 Ross Avenue, Suite 1200  
Dallas, Texas 75202-2733  
(214) 665-8035, FAX (214) 665-6460

Questions concerning the technical aspects of the planned RI/FS for the Site should be directed to:

Mr. Rafael A. Casanova, Remedial Project Manager  
U.S. Environmental Protection Agency, Region 6  
Superfund Division (6SF-AP)  
1445 Ross Avenue, Suite 1200  
Dallas, Texas 75202-2733  
(214) 665-7437, FAX (214) 665-6660

Thank you for your cooperation in this matter. We look forward to working with you in the future.

Sincerely yours,

Myron O. Knudson, P.E.  
Director  
Superfund Division

cc: Ms. Leigh Ing, Deputy Director  
Texas Natural Resource Conservation Commission

Ms. Glenn Sekavec, Regional Enforcement Officer  
U.S. Department of the Interior

Ms. Susan MacMullin, Regional Director  
U.S. Fish and Wildlife Service

Ms. Brian Cain, Field Supervisor  
U.S. Fish and Wildlife Service

Mr. Richard Seiler  
Texas Natural Resource Conservation Commission

Mr. Bill Grimes  
Texas General Land Office

Mr. Don Pitts  
Texas Parks and Wildlife Department

bcc: Barry Forsythe  
U.S. Fish and Wildlife Service

Roger Lee  
U.S. Geological Survey

Ron Gouget (Coastal Resource Coordinator)  
National Oceanic and Atmospheric Administration